

**Audit Committee
Meeting Minutes
May 26, 2005**

**Kiva Conference Room, First Floor, City Hall
3939 North Drinkwater Boulevard
Scottsdale, AZ 85251**

Members Present: Chairman Lane
Committee Member Ecton

Members Absent: Committee Member Littlefield

City Staff Present: Cheryl Barcala, City Auditor
Lisa Blyler, Assistant to the Mayor and Council
Craig Clifford, Financial Services General Manager
Steve Garrett, Crime Lab Manager
Paul Norman, Sr. Assistant City Attorney
Melissa Preston, Administrative Secretary
Ramon Ramirez, Senior Internal Auditor
Alan Rodbell, Chief of Police
Neal Shearer, Assistant City Manager
Monroe Warren, Purchasing Director

Chairman Lane called the meeting to order at 3:04 p.m.

Roll was taken; it was noted that Committee Member Littlefield was not in attendance.

Minutes of the May 9, 2005, Audit Committee Meeting were approved.

General Business:

Item 1 – Auditor-in-Charge, Ramon Ramirez, was in attendance to answer questions of the Committee. There were no questions and the report was accepted.

Item 2 – Ms. Barcala stated that Stella Fusaro, Auditor-in-Charge, is finishing documentation on airport/airpark fees.

Community Services has been contacted regarding an upcoming audit of the Handlebar Helpers Program. The question was asked as to whether an audit was necessary in light of the revised property disposition ordinance for the Handlebar Helper Program. Ms. Barcala clarified that although the issue is addressed regarding the Police Department donating bicycles to the program, the primary focus of the audit is to determine if proper controls are in place related to receipts, solicitations of donations, etc. It was asked how much time would be required to conduct the audit and Ms. Barcala responded that approximately 150 hours would be required.

The EMSD, Report No. 0525, is complete. The report is being edited and should be out for management comment early next week.

Ms. Barcala noted that the next audit to be conducted would be on West World.

Chairman Lane and Committee Member Ecton approved the initiation of the audits.

Item 3 – Ms. Barcala noted that the Council would be addressing an ordinance revision at the June 7, 2005 meeting and that today's meeting is an opportunity to address any questions the Committee may have regarding the revision. Chairman Lane inquired about significant changes. Chief Rodbell responded that there were major changes and Ms. Barcala elaborated by stating that the ordinance in question is an entirely new section. A key difference includes the fact that there is no distinction between the disposition of firearms involved in felony cases versus the disposition of firearms involved in misdemeanor cases. In addition, the ordinance includes a provision to determine disposition of firearms via sale, donation, or destruction of such items based upon value. Committee Member Ecton expressed concern that the revision met legal requirements according to the State of Arizona and Ms. Barcala responded that the Attorney's Office had reviewed and approved the ordinance revision. Furthermore, Mr. Norman added that the state allows local entities to create their own ordinances and the Attorney's Office approved of the revision. Mr. Warren noted for the record that there is a distinction between surplus property and firearms considered recovered property and this ordinance revision is unrelated to the issue of surplus property.

Public Comments – None.

Committee Comments – None.

With no further business to discuss, the public meeting of the Audit Committee was adjourned at 3:20 p.m.

Respectfully submitted,

Melissa Preston